GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

STARRED QUESTION NO:399
ANSWERED ON:14.12.2016
Upgradation of Postal Network
Muddahanumegowda Shri S.P.;Singh Shri Dushyant

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the use of post offices has decreased considerably during the last decade;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government has upgraded or proposes to upgrade the post offices into a multi-facility provider unit like ATM/money transfer/foreign exchange etc. to attract more and more people, which in turn will make it economically viable;

(d) if so, the details thereof; and

(e) the new services introduced and proposed to be introduced in the post offices for its viability?

Answer

THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI MANOJ SINHA)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.399 FOR 14TH DECEMBER, 2016 REGARDING "UPGRADATION OF POSTAL NETWORK".

(a) & (b) No Madam, on the contrary, the use of Post Offices has increased. In fact, the number of functional Post Offices has increased from 1,52,792 in the year 1994-95 to 1,54,939 in the year 2014-15 which affirms that the use of Post Offices has increased in the country. The Department of Posts is presently providing a diverse range of services, including new services, in addition to processing, transmission & delivery of mails. These include money remittance, Banking, premium products and insurance sector, MGNREGA payments, amongst others. In order to meet the new challenges, many services have been upgraded and diversified. In view of the new services having been introduced, the revenue and traffic has increased, which also indicates the increased use of Post Offices.

(c) & (d) Yes Madam, the Post Offices in the country are providing multi-facilities to the public. These facilities include:-

(i) The Department has rolled out Core Banking Solution (CBS) in 23,054 Post Offices. Besides, the total number of live accounts as on 31.3.2016 are 34.7 crores; the revenue has consistently increased in the last three years from the Savings Bank accounts: from Rs.5915.60 crores (2013-14) to Rs.6670.03 crores (2014-15) to Rs.7783.87 crores (2015-16).
(ii) a) Money remittance service to customers in India from around 195 countries on a real time basis is being operated in association with Western Union and Money Gram from 9,943 and 6,070 locations, respectively.
b) The number of transactions through electronic Money Order and the amount remitted have shown a consistent increase in the last three years: from 8,81,15,757 (2012-13) to 9,24,04,736 (2013-14) to 9,27,43,488 (2014-15). The amount remitted has also increased from Rs.8,253.67 crores (2012-13) to Rs.8,701 crores (2013-14) to Rs.9,264.61 crores (2014-15).
(iii) Furthermore, Insurance services − Postal Life Insurance (PLI)/Rural Postal Life Insurance (RPLI) − have shown increasing trend in the last decade in terms of procurement of policies: in 2006-07, the number of active PLI policies were 32,97,825 and in 2015-16, the number of active PLI policies were 49,30,838. Likewise, in 2006-07, the number of active RPLI policies were 52,46,673 and in 2015-16, the number of active RPLI policies were 1,49,15,652.
(iv) 967 ATMs have been installed in different parts of the country.
(v) 5,63,635 Debit cards have been issued to Post Office Savings Bank customers since February, 2014.
(vi) Revenue earned from Express/Business Parcel has also showed a positive increase in last three years: from Rs.77.63 crores (2013-14) to Rs.112.47 crores (2014-15) to Rs.149.00 crores (2015-16).
(vii) Premium service, such as Speed Post has also shown increase in revenue and transactions: traffic has increased from 36.99 crores (2013-14) to 39.87 crores (2014-15) to 41.43 crores (2015-16); likewise, revenue has also increased from Rs.1372.21 crores (2013-14) to Rs.1495.21 crores (2014-15) to Rs.1605.25 crores (2015-16)
(viii) Additionally, services such as Post Shoppe, Jan Suraksha, Sukanya Samriddhi and retail services have also led to increased footfalls in the Post Offices. 93,17,532 Sukanya Samriddhi Accounts have been opened since 22.1.2015. The value of deposits in these Accounts is Rs.7,585 crores.
(ix) Social security benefits and pension are also being provided through the Post Offices.

All in all, these services have served the customers better and have increased the use of Post Offices which, in turn, increases the prospects of economic viability. Revenue has increased from Rs.10,730.42 crores (2013-14) to Rs.11,635.98 crores (2014-15) to Rs.12,939.79 crores (2015-16). The deficit in the Department has also decreased from Rs.6,258.60 crores in 2014-15 to Rs.6,007.19 crores in 2015-16. Also, the Department constantly reviews its products & services from the customers' perspective and market requirements, and diversifies its product portfolio in order to provide efficient & customer-oriented services. This has further enhanced the relevance and use of the Post Offices.

(e) The Department has introduced various services towards the objective of economic viability. These include Cash on Delivery, Express Parcel, Business Parcel, ATMs, Jan Suraksha, amongst others. Even otherwise, for the convenience of public and for grievance redressal, a call centre − 1924 has been introduced; Twitter Sewa has also been introduced and it provides an interactive medium for the public to air their views, suggestions, etc. on which the Department takes prompt action.

As explained, the Department is continuously working to meet the needs of the people.